

scheme is proposed to be implemented in the commercial banks; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (e). Banks have been advised to ensure timely and adequate flow of credit to farmers for agricultural production. There has been a progressive increase in the flow of institutional credit to this sector. Reserve Bank of India (RBI) has issued detailed guidelines to commercial banks for simplifying and liberalising lending procedures. The important guidelines on the subject are as under;

1. Prescription of scales of finance for crop loans as worked out by the Technical Committee constituted in the districts for various crops and their uniform adoption by banks. These scales of finance are reviewed annually to take care of cost.

2. Disposal of loan applications upto Rs. 25,000/- within a fortnight and those over Rs. 25,000/- within 8 to 9 weeks.

3. Delegation of appropriate sanctioning powers to the rural Branch Managers so that majority of loan applications are sanctioned at branch level itself.

4. No collateral security should be taken by way of mortgage/charge of land or third party guarantee on crop loans upto Rs. 10,000/- where moveable assets are created.

5. No margin is required for agricultural loan upto Rs. 10,000/- for both short-term, medium/long-term loans. The rates of interest charged on such loans are concessional.

6. Loan pass books in regional language should be issued to all IRDP beneficiaries containing details such as the date of

sanction of loan, the amount of loan sanctioned, subsidy received, rate of interest, amount due under each instalment, due date of instalment, etc.

In this context it may also be added that Public Sector Banks take measures on their own like introducing credit cards to farmers with a view to provide easy and timely credit to the farms and also to augment credit flow to agriculture sector. Some of the public sector banks have introduced their Credit Cards on an experimental basis in selected districts. These Cards are given to farmers who have good track record to enable them to get agricultural credit without difficulty to meet their cost of production inputs. The Credit Card would provide following facilities:

(i) It will enable a card holder to secure production credit instantly.

(ii) It will dispense with procedural formalities such as making application, furnishing land record certificates and documentation for every agricultural season.

(iii) It will also dispense with the necessity of the farmer carrying cash for purchase of production inputs.

As per information available, Agricultural credit card scheme has been introduced by Dena Bank, Union Bank of India, Bank of Maharashtra, New Bank of India, Andhra Bank, Vijaya Bank, Indian Overseas Bank, Syndicate Bank, Punjab and Sind Bank, State Bank of India, Canara bank, United Bank of India, Allahabad Bank, Punjab National Bank, Corporation Bank, Central Bank of India, UCO Bank, State Bank of Mysore and Bank of Baroda on an experimental basis in selected areas of States.

#### **Revival of sick Units**

5911. SHRI A CHARLES: Will the Minister of FINANCE be pleased to state:

(a) whether most of the small and tiny sick industrial units are not able to make use of the nursing programmes for the revival of sick units in view of the cumbersome procedure laid down for the purpose;

(b) whether the Board for Industrial and Financial Reconstruction has suggested a change in the definition of sick industries and the conditions laid down for extending the nursing programme to such units; and

(c) if so, the reaction of the Government in this matter and the stage at which the matter stands at present?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The Reserve Bank of India (RBI) has reported that only units considered potentially viable after a viability study conducted by the banks are put under nursing programmes and that the procedures laid down for the purpose of nursing programmes are not such as to come in the way of the revival of potentially viable sick units.

(b) and (c). The Board for Industrial and Financial Reconstruction (BIFR) has made various suggestions for amendments to the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). These include a change in the definition of sick industrial units and the conditions laid down for extending the nursing programmes to such units. Various proposals of amendments to SICA are currently under the consideration of the Government.

Small scale industrial units (including units in the tiny sector) are, however, not covered by SICA.

[Translation]

### **Export of Agricultural and Industrial Products**

5912. SHRI SURESHANAND Swami: Will the Minister of COMMERCE be pleased to state:

(a) the main agricultural and industrial products proposed to be introduced in international market during the current year and the next two years;

(b) the extent of revenue likely to be earned by the Government therefrom annually; and

(c) the steps taken by the Government to avoid any adverse impact on domestic demand of the products proposed to be introduced in international market?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) The main agricultural and industrial products, which are being exported during the current year and expected to be exported during the next two years include cereals, tobacco, spices, cashew kernels, oilmeals, processed foods, marine products, ores and minerals, leather and leather manufactures, gems and jewellery, sports goods, chemicals and related products, engineering goods, electronics and computer software, textiles, handicrafts, carpets, petroleum products etc.

(b) India's exports earnings during April-January, 1991-92 amounted to Rs.34699 crores. It is difficult to precisely estimate at this stage the foreign exchange likely to be earned from exports in the next two years.

(c) The policy of the Government is to export the products where surpluses are available, after meeting the domestic demand. Besides, production for export purposes is encouraged under certain specially designed schemes such as Export Oriented Unit Scheme and Export Processing Zones.